



ASSESSOR OFFICE

APPEAL #2023-90

2023 REAL PROPERTY ASSESSMENT APPEAL

Assessor's Office Report

BOARD OF EQUALIZATION: May 24, 2023

Remand Response: July 20, 2023

Appellant: Scott & Jennifer Canfield

Location: 1263 River View Dr. Lots 4 & 5 Mosquito Lake

Parcel No.: 3-MQL-02-0400

Property Type: Residential

This document contains just the report on the additional review as a result of the BOE Remand. See the original Assessor Office Appeal Report in Addendum G for additional information.

	Appellant's Estimate of Value	Original Assessed Value	Recommended Value
Site:	60,000	64,800	64,800
Buildings:	522,000	799,200	985,200
Total:	582,000	864,400*	1,100,000
		Based on Corrected Notice Does not include Mkt Area Trend on Bldg.	

Subject Photos



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Additional Photos



"Main" House (Canfield)



"Main" House Back (Canfield)



"Second" House (Rogers)



"Second" House Back (Rogers)



Shop Front



Shop Back



Equipment Shelter & Fuel Storage



"Root Cellar"



Greenhouse



Propane Storage



Lean-To



Barn



Animal Shelter



Communications Tower

Remand Response

The primary purpose of the Assessor's Office is to make sure that property taxes are levied in an equitable manner. There are two key elements to setting the assessed values. One is the level of assessments and the other is the uniformity of assessments. A primary concern when considering the level of assessment is that all classes of property be assessed at the same level for equity of taxation. The uniformity element has several aspects to it. One is that everyone is treated uniformly. Tied in with that is that every property within a class of properties is valued in the same manner as well as at the same level. That typically means with the same model and characteristic adjustments. If for a particular reason a property must be valued with a different model, then care must be taken that your results are at a similar level of assessment.

An example of the above might be a residence in a residential area that is constructed using construction methods and materials that are not found in the residential model but are found in the commercial model. It could be valued using the commercial model for the improvements, however, care must be taken to make sure that the resulting value is appropriate for a residential application of the structure.

In regards to valuation models, every value, whether it comes out of a computer program or out of one's head, uses a model. If you are standing in front of a house and ask a friend, or a realtor, what the value is they will factor in things such as location, quality, condition, size and curb appeal in their head before giving you their opinion. That value is based on a model. It may be less defined than our models and not committed to paper like our models are but it is still a valuation model.

As State Assessor Joe Caissie pointed out in his training for the BOE if you ask 5 appraisers (or real estate agents) what the value is for a property you will get 5 different answers. (You can also get different answers from the same person depending on the motivations and intended use of the value.) For uniformity of taxation it is important that we stick to the Assessor's valuation instead of substituting other opinions unless an actual error is shown. An actual error is not just that someone else would prefer a different scale or would define their valuation model a little differently or has a different opinion of value.

In the comments at the BOE hearing it was mentioned that no comparables had been submitted. I would like to clarify that comparables had been submitted, maybe just not in the fashion that you were looking for. The appellant had submitted two comparables and when we reviewed them and adjusted them to the subject they actually supported the assessed value. (This is addressed in the original report.) The Assessor's Office had also submitted comparables. They were in the Addendum B starting on page 11 of the Addendum A & B document. They are labeled as the Sales List. These were analyzed to determine Market Area factors and adjustments for other property characteristics that are then applied to properties where applicable. This is similar to a single appraisal sales comparison approach where the comps

are adjusted to the subject. It is applying the same appraisal principles, just in a different process or work flow. So the Sales List is the list of comparables.

The sales counts for each of the Market Areas are detailed in the table that follows as well as the Market Area (Location) factors that were applied by region.

<i>Region</i>	<i>Market Sales With Sales Price</i>	<i>Market Factor</i>
Region 1 – Out The Highway	47	1.12
Region 2 – Town	111	1.05
Region 3 – Lutak	18	1.07
Region 4 – Chilkat Peninsula	18	1.14
Region 5 – Remote Properties	19	1.00
Total for AY2023	213	

The subject is located in Market Area Region 1. We have supplemented the sales list with an additional list in this report which lists the sales from Market Area Region 1 (Addendum F) which were specifically used to determine the Region 1 market factor and adjustments.

In the review process we identified that there was omitted property. The second house existed for 6 years before it was put on the tax roll as well as the shop and the equipment shelter not being on the roll for a number of years. In the review process for the remand we identified additional omitted property including the addition to the Rogers house. The Alaska Supreme court established in a 1983 ruling that a Borough may do a supplemental roll for the past years and omitted property.

The appellant mentioned that they thought we had doubled up part of the improvements. As mentioned in the first hearing we reviewed the 2022 assessed values and found omitted property. Also as mentioned in the first hearing the cost approach work up for 2023 was done fresh from an inspection that occurred on 12/23/22 and therefore it was not adding something to a previous value and doubling it up.

The BOE asked us to review the building portion of the 2022 assessed value. Note that the 2022 assessed value is set and not under review in this appeal, however, in response to concerns expressed by the BOE, we again reviewed the 2022 building values and as indicated in our original report there was omitted property in 2022. The building portion of the assessed value for 2022 was \$443,000. This amount was based on a cost approach for a 1728 sf house (the second home), 1517 sf home (the original house but would appear to omit the 2nd floor), attached garage of 864 sf, two carports of 480 sf each, covered porch of 240 sf and 960 sf for the 1st floor of the shop.

While a direct comparison gets a little convoluted due to the grouping of the improvements it would appear that the following items were omitted in the 2022 value:

- 643 sf of the main house
- 400 sf carport of the main house
- 960 sf second floor of the shop
- Equipment Shelter of 1200 sf
- Fuel Storage of 120 sf
- Barn of 303 sf
- Animal Shelter of 192 sf
- Greenhouse of 600 sf
- Root Cellar of 200 sf
- Communications Tower

There also was an addition to the Rogers house in 2022 which needs to be added for 2023.

Again, the cost approach for 2023 was done fresh, based on an inspection on 12/23/22. A new cost approach was done for this remand review from an inspection on 07/11/23.

The BOE also asked that we review the effective age and amount of depreciation for the main house. We will address those aspects below, however, due to the concerns expressed we also have redone the cost approach on all of the buildings and those new cost approaches are incorporated into this report. Note that in review of the Effective Ages applied, the main house seems to be in line with the scale used by the Assessor's Office, however, the Effective Age on the second house would need to be lowered to be within that scale.

Corelogic, the owner of the Marshall & Swift Estimator program, has this explanation regarding the actual age of a property versus the effective age. "Effective age is defined as the estimate of the age of a structure based on its utility and physical wear and tear. Effective age could be the actual age of the structure or could be more or less than the actual age, depending on maintenance, remodeling, structural reconstruction, removal of functional inadequacies, zoning change, modernization of equipment and other improvements to the structure including additions. Effective age is the age which reflects a true remaining life for the property, taking into account the typical life expectancy of buildings or equipment of its class and its usage."

In regards to changing the scale being used for Effective Age for capturing the condition of the buildings:

- 1) If you change the scale for just one property it will take it out of equity.
- 2) If you change the scale for the entire assessment system, you need to adjust other aspects of the model as well.

Area factors. So, if one is going to change the Effective Age scale, which will change the amount of depreciation applied, they also need to recalibrate the Market Area factor. An example of the effect of changing the Effective Age scale is attached in Addendum D. To summarize, it shows that if you apply a different Effective Age scale to your property valuation then when you compare the value to the sales price in your analysis to calibrate your valuation model you will end up with different Market Area factors.

In the future we will be calibrating the staff to utilize a more sensitive scale for the Effective Age (as well as other aspects of the valuation model), however, when we do so that will require changing and recalibrating the valuation models to account for the new scales.

In the hearing, the BOE also raised the question as to whether the “Improper” appeal classification applied. The “Improper” classification does not have to do with appraisal judgement items such as what is the effective age of the home but, rather, has to do with methodologies utilized in arriving at the assessed value. Proper methodologies were utilized in generating the 2023 assessed values.

It has also been brought to the attention of the Assessor that the appellant is a former Assembly Member. That is mentioned here to get it on the record.

Sales Comparison

In response to the Board remanding this property assessment to the Assessor’s Office and due to the extensive review process and consideration of alternative effective age scales this property has received considerations outside of the normal methodology for this class of property, therefore, it is incumbent upon the Assessor’s Office to focus more on setting the assessed value at market. As such, we have also performed a direct sales comparison utilizing 3 comparable sales from the past 3 years. The direct sales comparison indicates a market value of \$1,100,000. The comparison worksheet is attached in Addendum E.

An important part of the direct sales comparison approach is the reconciliation process. Of the three comparable sales used in the sales comparison approach the most weight was given to sale number 1. The sale itself seemed to more centrally represent the market and the amount of adjustments required to adjust it to the subject was less than the other 2 sales. It also was the most recent sale having sold in November of 2021 just over a year prior to the valuation date. Note that for all three of the sales both the gross and net adjustment percentages are significantly outside of the

norm. In spite of this they were considered to be the best comparables available. The significant level of adjustment is directly related to the subject property having two residences, a large two-story framed shop, a significant equipment shelter and numerous other outbuildings.

Cost Approach

The new Cost Approach indicates a building value of 917,805 (1,027,942 with Market Area Trending) as opposed to the original assessed value of 799,200 (895,100 with market trending). (Note that the amount listed on Page 1 of the original report was in error.) With the land value of 64,800 and market trending of 1.12 for Region 1 that would bring the property value to 1,100,518 for the cost approach.

3-MQL-02-0400 - Valuation Summary For 2023 Appeal Cost Approach

333,813	Main House (Canfield)
408,613	Second House (Rogers)
65,520	Shop
<u>109,859</u>	Outbuildings
917,805	Buildings
<u>64,800</u>	Land
982,605	Total

1.12 Market Area Trend

1,100,518 Indicated Market Value

There are some aspects of the cost approach that the Board members should be aware of. While the M&S Estimator tool for the cost approach is a good tool that has been established for many decades, it's labels and categories do not always fit perfectly. The Assessor's office needs to determine and select the options that generate the best results for various types of buildings, materials, components, etc. The uniformity concern again is a consideration here. While someone else might choose a different option within a category it is important for equity in taxation that the Assessor's methodology be maintained. Another critical key is that after the land and building values are established within our methodology we then analyze the results compared to actual sales and adjust those results to market. If you start selecting different options or changing one portion it will change your results and you will need to determine and apply different Market Area (location) adjustments.

Within the cost approach depreciation is subtracted from the replacement cost new to reflect the current condition of the buildings. The amount of depreciation deducted is summarized in the following table.

Main House	99,708
2 nd House	30,283
Shop	28,080 (note that this does not include the reduction for level of finish)
Remaining Outbuildings	19,762
Total	177,833

CRITICAL NOTE: It is critical to note that the following Cost Reports cannot be directly compared to the previous cost reports or any other Haines Borough cost reports. The other cost reports involve a different effective age scale and utilize a straight line depreciation. For the remand review we have utilized a more conventional effective age scale and depreciation from the M&S Typical Life tables.

Standard Report

Estimate ID:	3-MQL-02-0400 2023 Appeal Revised Main House
Property Owner:	Scott & Jennifer Canfield
Surveyed By:	Scott Hansen, Donna, Michael
Survey Date:	12/23/2022
Total Floor Area	2,583
Quality	3 Average
Condition	3 Average
Local Multiplier	1.27
Report Date	Dec,2022
Rounded Total Cost	

Single-family Residence		Floor Area:	2,583 Square Feet
Effective Age:	22	Quality:	3 Average
Cost as of:	December, 2022	Condition:	3 Average
Style:	1 1/2 Story Finished		
Exterior Wall:	Frame, Siding, Wood 100%		
Plumbing Fixtures:	8		

	Units	Cost	Total
Base Cost	2,583	114.60	296,012
Plumbing Fixtures	8	2,610.00	20,880
Metal, Preformed	2,583	6.35	16,402
Raised Subfloor	2,583	16.39	42,335
Floor Cover Allowance	2,583	7.55	19,502
Wall Furnace	2,583	3.33	8,601
Plumbing Rough-ins	1	1,058.50	1,059
Appliance Allowance	1	5,437.50	5,438
Basic Structure Total Cost	2,583	158.82	410,229
Carport, Shed Roof	410	24.83	10,180
Subtotal Garage			10,180
Wood Deck	224	29.99	6,718
Wood Deck	200	31.97	6,394
Subtotal Extras			13,112
Replacement Cost New	2,583	167.84	433,521
Physical + Functional Depreciation 23.0%			99,708
Total Depreciated Cost			333,813
Total			\$333,813

Cost data by CoreLogic®, Inc. and its licensors, all rights reserved.

Standard Report

Estimate ID:	3-MQL-02-0400 2023 Appeal Revised 2nd House
Property Owner:	Scott & Jennifer Canfield
Surveyed By:	Scott Hansen, Donna, Michael
Survey Date:	12/23/2022
Total Floor Area	2,144
Quality	3.25 Average/Good
Condition	3 Average
Local Multiplier	1.27
Report Date	Dec,2022
Rounded Total Cost	

Single-family Residence		Floor Area:	2,144 Square Feet
Effective Age:	2	Quality:	3.25 Average/Good
Cost as of:	December, 2022	Condition:	3 Average
Style:	1 1/2 Story Finished		
Exterior Wall:	Frame, Hardboard Sheets 100%		
Plumbing Fixtures:	8		

	Units	Cost	Total
Base Cost	2,144	119.30	255,779
Plumbing Fixtures	8	2,999.69	23,998
Metal, Preformed	2,144	7.28	15,608
Raised Subfloor	2,144	18.13	38,871
Floor Cover Allowance	2,144	9.19	19,703
Floor Radiant, Hot Water	2,144	11.17	23,948
Plumbing Rough-ins	1	1,127.38	1,127
Appliance Allowance	1	6,561.25	6,561
Basic Structure Total Cost	2,144	179.85	385,595
Attached Garage	672	49.80	33,466
Subtotal Garage			33,466
Enclosed Wood Deck, Screened Walls	240	78.48	18,835
Wood Stove	1	1,000.00	1,000
Subtotal Extras			19,835
Replacement Cost New	2,144	204.71	438,896
Physical + Functional Depreciation 2.0%			8,777
Functional Depreciation 5.0%			21,506
Total Depreciated Cost			408,613
Total			\$408,613

Shop & Outbuildings Cost Summary

For 2023 Appeal

Based on M&S

Shop

<u>Type</u>	<u>Desc</u>	<u>SF</u>	<u>Rate</u>	<u>RCN</u>	<u>% Good</u>	<u>Depreciation</u>	<u>Value</u>
Framed Shop	1st Floor Shop	960	55.00	52,800	0.70	15,840	36,960
	2nd Floor Storage	960	42.50	40,800	0.70	12,240	28,560
Totals		1,920		93,600		28,080	65,520

Outbuildings

<u>Type</u>	<u>Desc</u>	<u>SF</u>	<u>Rate</u>	<u>RCN</u>	<u>% Good</u>	<u>Depreciation</u>	<u>Value</u>
Carport	Side of shop	480	24.74	11,875	0.70	3,563	8,313
Carport	Side of shop	480	24.74	11,875	0.70	3,563	8,313
Carport	Back of shop	576	34.42	19,826	0.70	5,948	13,878
Carport	Equipment Shelter	1,200	48.00	57,600	0.95	2,880	54,720
Deck/Loft	In shop carport	360	23.66	8,518	0.70	2,555	5,962
Storage Bldg	Root Cellar	200	48.21	9,642	0.90	964	8,678
Storage Bldg	Fuel Storage	120	48.21	5,785	0.95	289	5,496

Lump Sum Items

Greenhouse		500
Barn		2,500
Animal Shelter		500
Lean-To	Propane Shelter	250
Lean-To	Small Equipment Shelter	250
Communications Tower		500

Total Outbuilding Value 109,859

Total Shop & Outbuildings 175,379

Independent Appraisal

The submitted appraisal is an independent opinion of value. Use of this value would take this property out of uniformity and equity with other properties.

- The valuation date is 06/16/2023.
- The appraisal uses comparables from Haines, Gustavus, Skagway, and Hoonah.
- One of the comparables is a 4-plex.
- The appraisal uses 3 listings as comparables.
- The locational adjustments do not line up with community differences as evidenced by the sales. Applying adjustments as indicated by the market would increase the value.
- The appraisal adjusts the differences in sf by \$50. It states that, "This market however is very small with very few transactions, and the properties that do sell are most often extremely diverse in both physical attributes and in motivation of buyer and seller." The comparables that the appraisal uses indicate an average market value per square foot of the building component of about \$161. The disparity between the value per sf as indicated by the sales and the adjustment applied by the appraiser brings into serious question the appraisers assumed value.
- The appraisal uses an Income Property Report form for a residential property.
- There are many other issues with the adjustments applied in the report.
- The report did not include a Cost Approach. A Cost Approach should be included for a residential property.
- Correcting just for the location adjustment issues and the GLA sf adjustment issues the comparables used in the appraisal indicate a value of about \$800,000 to \$1,000,000. The other corrections would raise this further.

Realtor Value Opinion

This is an independent opinion of value. Use of this value would take this property out of equity with other properties.

We find nothing of substance that would change the assessed value in the letter by Glenda Gilbert. The property was not valued as prime water view property.

The primary contributor to the value of the property are the multiple residences and large number of outbuildings.

Glenda stresses that it is out the road, serviced by IPEC, that home owner's insurance is more, etc. We have adjusted for the location.

Glenda raises the issue of two lots having one parcel number. I have not done an extensive research on this but I believe it is because there are buildings that straddle the lot line. Valuing it as two separate parcels would increase the value.

Glenda also raises the issue of the condition of the buildings. The condition has been accounted for and \$177,833 has been allocated for repairs to the main buildings.

To value this property at her \$486,800 would definitely take this property out of equity.

Our land and building cost models are all calibrated to market. In our calibration we do not use just a few sales but all available market sales and indicators.

Remand Review Conclusion

After additional review due to the appeal being remanded to the Assessor's Office by the Board of Equalization we find that the property is undervalued.

The Cost Approach indicates a market value of \$1,100,518.

The Sales Comparison Approach indicates a market value of \$1,100,000.

The Income Approach was deemed to not be applicable to this property.

The indicated market values of the Cost Approach and the Sales Comparison Approach are very similar. In this case the two approaches are considered to have fairly equal weight for the reconciliation considerations. We have adopted the lower of the two as the recommended value.

Because the special review has taken this property's methodology out of uniformity the primary focus is arriving at market value. Therefore, we recommend that the assessed value be increased to \$1,100,000.

ADDENDUM C – Communications

There is also an Addendum C in the original report that contains communications up to the original BOE hearing.

From: Donna Lambert
Sent: Friday, July 7, 2023 11:26 AM
To: Alekka Fullerton; Michael Dahle; scottys48881@yahoo.com
Cc: Douglas Olerud; Annette Kreitzer
Subject: RE: Canfield Buildings & Dimensions as of 7-6-2023

Received thank you

Donna Lambert

Haines Borough Land's Dept.
Assessor in Training
907-766-6401

From: Alekka Fullerton <afullerton@haines.ak.us>
Sent: Friday, July 7, 2023 10:02 AM
To: Michael Dahle <mdahle@haines.ak.us>; Donna Lambert <dlambert@haines.ak.us>
Cc: Douglas Olerud <dolerud@haines.ak.us>; Annette Kreitzer <akreitzer@haines.ak.us>
Subject: FW: Canfield Buildings & Dimensions as of 7-6-2023

From: pymustang64@reagan.com <pymustang64@reagan.com>
Sent: Thursday, July 6, 2023 4:49 PM
To: Alekka Fullerton <afullerton@haines.ak.us>
Cc: Jennifer Canfield <scottys48881@yahoo.com>; pymustang64@reagan.com
Subject: Canfield Buildings & Dimensions as of 7-6-2023

EXTERNAL EMAIL: Do not open links or attachments unless you recognize the sender and know the content is safe.

Alekka

Attached is a copy of a site plan for lots 4 & 5 of Mosquito Lake Subdivision showing all current buildings and the actual dimensions of each structure. Please forward to the assessor's office for their use when they come to inspect our property. Also forward a copy to the BOE.

Please note that the dimensions of the porches on the Canfield Home are less than that shown by the assessor's office.

Also, note that the size of the attached garage on the Rogers Home is 24 by 28 feet, not 24 by 36 feet as incorrectly noted on the assessors records.

The buildings are drawn to scale, but the distances between buildings is approximate.

Paul Rogers

From: Canfield Scott <scottys48881@yahoo.com>
Sent: Saturday, June 24, 2023 4:35 PM
To: Donna Lambert
Cc: Michael Dahle; Michael; Scott Hansen; Paul Rogers
Subject: Re: Site visit for property assessed value appeal

EXTERNAL EMAIL: Do not open links or attachments unless you recognize the sender and know the content is safe.

Thank you for the update, Donna.
Please let us know which day you plan to arrive, and we will have someone available.

Thanks, again,
Jen Canfield

On Thursday, June 22, 2023 at 10:04:13 AM PDT, Donna Lambert <dlambert@haines.ak.us> wrote:

Good morning,

We are putting together a site visit plan for the week of July 10-14. We are looking at visiting your property on July 11th. At this time, I cannot give you a specific arrival time as we are scheduling several visits in your area. If you would like to be present, we will try to accommodate your time schedule but no guarantees. As we get closer to the 11th, we will try to be specific on time.

Thank you

Donna Lambert

Haines Borough Land's Dept.

Assessor in Training

907-766-6401

From: Alekka Fullerton
Sent: Wednesday, May 31, 2023 11:39 AM
To: pymustang64@reagan.com
Cc: Jennifer Canfield; Annette Kreitzer; Michael Dahle; Douglas Olerud
Subject: RE: Request of Extension for BOE

Categories: Important

Hi Paul-

It looks like the next BOE will be postponed anyway. Several other pieces of information from your letter:

1. I sent you the audio from both meetings on 5/26 – did you not get them? Here they are again, if not:
<https://www.dropbox.com/s/0vwo60otiteboa4/5-8-23%20BOE%20%231.mp4?dl=0>
<https://www.dropbox.com/s/ahufxvrp00yo2zu/5-24-23%20BOE%20Continued.mp4?dl=0>
2. You should have the information from the assessor BEFORE the next meeting.
3. As I sit here, I do not know the date of the continued BOE. I will let you know once I know.

Alekka Fullerton

Borough Clerk
Haines Borough
P.O. Box 1209
Haines, AK 99827
(907)766-6402
fax (907)766-2716

From: pymustang64@reagan.com <pymustang64@reagan.com>
Sent: Tuesday, May 30, 2023 8:19 AM
To: Alekka Fullerton <afullerton@haines.ak.us>; Annette Kreitzer <akreitzer@haines.ak.us>
Cc: Jennifer Canfield <scottys48881@yahoo.com>; pymustang64@reagan.com
Subject: Request of Extension for BOE

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Alekka

1

Attached is a letter requesting an extension for Scott & Jennifer Canfield to properly and adequately respond to the new proposed assessment on Scott & Jennifer's property.

Please see the attached letter. While we will plan to be present at the BOE hearing on June 7, we will need additional time to correct mistakes/omissions and respond to new information from the assessor to be presented at this hearing.

Thank you,

Paul Rogers

From: Canfield Scott <scottys48881@yahoo.com>
Sent: Tuesday, May 30, 2023 12:06 PM
To: Alekka Fullerton <afullerton@haines.ak.us>; pymustang64@reagan.com; Canfield Scott <scottys48881@yahoo.com>
Subject: Request for information

EXTERNAL EMAIL: Do not open links or attachments unless you recognize the sender and know the content is safe.

Hello Alekka,

Could I please get copies of the detailed assessments (including any revisions) for the years of 2021 through 2023, for the property located at 1263 River View Dr, Lots 4 & 5 Mosquito Lake (3-MQL-02-0400)?

They can be sent to either myself @ Scottys48881@Yahoo.com

Or to Paul Rogers, my representative, @ Pymustang64@reagan.com

Please let me know if there are any fees associated with this request, and we will make sure they are taken care of.

Thank you,

Jennifer Canfield

Sent from [Mail](#) for Windows

From: Alekka Fullerton
Sent: Thursday, May 18, 2023 4:35 PM
To: scottys48881@yahoo.com
Cc: Michael Dahle
Subject: BOE Scheduled 5-24-23 at 6:30 pm in Assembly chambers and on zoom
Attachments: Canfield Appeal application.pdf; BOE 20232524 3-MQL-02-0400 Canfield.pdf; BOE Packet Template 202305c- Addendum A & B.pdf

Good Afternoon-

I wanted to confirm that you are scheduled for the Board of Equalization hearing on May 24, 2023 at 6:30 pm. I have attached the information which will be supplied to the Assembly, including:

1. Appellant's Application with attachments
2. The Assessor's report with attachments
3. BOE Packet template addendums A and B (general information)

If you feel we have left anything out, please contact me as soon as possible.

Alekka Fullerton

Borough Clerk
Haines Borough
P.O. Box 1209
Haines, AK 99827
(907)766-6402
fax (907)766-2716

Addendum D – Effective Age

Addendum D contains an example of the impact of changing the effective age scale and the other adjustments that need to be made if you do so.

Illustrations of Effective Age Scale Change								
								
Parcel #	C-WHT-0B-0900	410 N 4th	C-STR-03-12A0	6 Alder Ct	C-HHY-01-0400	1460 Haines Hwy	C-USS-03-09C0	67 Chilkat Trail Rd
	Assessor's Model	BOE Model	Assessor's Model	BOE Model	Assessor's Model	BOE Model	Assessor's Model	BOE Model
Sale Date	10/31/2022		10/24/2022		4/29/2022		6/15/2022	
Sale Price	160000		285000		365000		227500	
	DML		DML		DMO/SH		DA/SH/DML	
	2022		2023		2022		2022	
Year Built	1984		2006		1980		1996	
Actual Age	39		17		43		27	
Eff Age	20	30	10	20	10	15	12	22
Depreciation	15.30%	33.30%	4.50%	15.30%	4.50%	9.90%	6.66%	18.90%
Basic Cost	166.55		167.13		144.04		172.93	
SF	692		1456		1757		830	
RCN	115,253		243,341		253,078		143,532	
Depreciation	15%	0.333	5%	0.153	5%	0.099	7%	0.189
RCNLD	97,619	76,873	232,391	206,110	241,690	228,024	133,973	116,404
Land	44,600		50,600		47,200		47,500	
Total	142,219	121,473	282,991	256,710	288,890	275,224	181,473	163,904
Market Factor	1.1250	1.3172	1.0071	1.1102	1.2635	1.3262	1.2536	1.3880
	Assessor's Model	BOE Model						
Subject RCN	366,012							
Eff Age	10	18						
Depreciation	4.50%	13.14%						
RCNLD	349,541	317,918	(31,623)					
Average Factor	1.1623	1.2854						
Cost Approach	406,273	408,649	2,375					
Note:	Based on the Weighted Depreciation Scale on Eff Age of 10 on a 55 Year Life equals 5% depreciation.							
	Based on M&S Residential Cost Handbook 10 Eff Age on 55 Year Life equals 9% depreciation.							
	The actual cost approach for the assessed value on the subject used a higher 18.2% depreciation.							
	For this example illustrating the impact of changing the Effective Age scale we used a weighted depreciation schedule.							

Addendum E - Direct Sales Comparison Approach

Addendum E contains a single appraisal style direct sales comparison approach. This is not the typical methodology applied by the Assessor's Office. We typically utilize a mass appraisal methodology which incorporates analysis of all of the sales.

Sales Comparison Grid		Valuation Date		1/1/2023						
Subject	Comp.1 Data	Comp.2 Data	Comp.3 Data	Comp.1 Data	Comp.2 Data	Comp.3 Data				
										
Information										
PIN	3-MQL-02-0400	3-HHY-26-1000 26814 Haines Hwy	3-MQL-01-1700 1634 Mosquito Lake Rd	3-TWC-00-0300 111 Twin Calf Dr						
AV Land	64,800	89,100	50,100	112,900						
AV Imp	895,100	373,000	212,300	310,900						
AV Total	959,900	462,100	262,400	423,800						
Sale Price		430,000	350,000	275,000						
Sale Date		11/1/2021	12/14/2020	2/28/2020						
Excise Number	0	0	0	0						
Sale Type	0	0	0	0						
Value Adjustments										
Market(Time)	14.20	25,442	24.93	36,361	34.60	39,646				
Financing/Rights/Concessions		0		0		0				
Zoning	0	0	0	0	0	0				
Market Area	1106	1106	1106	1106	1106	1106				
External Influences										
Acreage	4.31	5.07	15,524	-11,798	0.72	15,524	55,731	9.68	15,524	-83,364
Topo	Level	Steep	24,897	Level	0	Benched	6,962			
View	Good	Excellent	-15,460	Excellent	-12,246	Very Good	-10,218			
Shape	Rectangular	Triangular	0.09	8,019	Rectangular	0	Flag	0.15	16,935	
Privacy	Private	Private	0.00	0	Buffered	0.15	7,515	Semi-Private	0.10	11,290
Site Utility										
Year Built	0	1994	2013	1997						
Design/Style	1.5 Story	Ranch	2 Story	2 Story						
Quality	3.00	3.00	0	2.50	5,124	5,124	2.75	2,013	2,013	
Condition	11, 1	8	5	12						
Main SF	4,727	1470	-3,257	508,092	1980	-2,747	428,532	1999	-2,728	425,568
Upper SF	0	0	0	0	0	0	0	0	0	
Basement SF	0	0	0	0	0	0	0	0	0	
Garage SF	672	0	33,600	0	33,600	0	33,600	0	33,600	
Outbdgs.	175,379	48,145	127,234	127,234	0	175,379	175,379	33,421	141,958	141,958
Func/Ec/Ex Obsolescence										
Other:										
Value/Adj.Price			1,130,025		1,079,997				859,391	
Adj % - Gross / Net --->		175%	163%	216%	209%			281%	213%	
Comments								Low	859,391	
								High	1,130,025	
								Range	270,634	
										Comp.2- Two lots sold, 350,00 for 1700

Outbuildings

Item	Value	Item	Value	Item	Value	Item	Value
Shop	65,520	Det.Garage	32,398	Det.Garage		Det.Garage	26,390
Carport- Side	8,313	Carport	3,569	Carport		Carport	
Carport- Side	8,313	Storage	5,147	Storage		Storage	
Carport- Back	13,878	Deck	10,655	Deck		Deck	6,925
Equipment Sh	54,720	Encl.Porch		Encl.Porch		Encl.Porch	9,532
Loft	5,962						
Root Cellar	8,678						
Fuel Storage	5,496						
Greenhouse	500						
Barn	2,500						
Animal Shelter	500						
Propane Shelter	250						
Small Equipment	250						
Comm.Tower	500						
RCN	175,380		51,769		-		42,847
Depreciation			7%				22%
Value	175,380		48,145		-		33,421

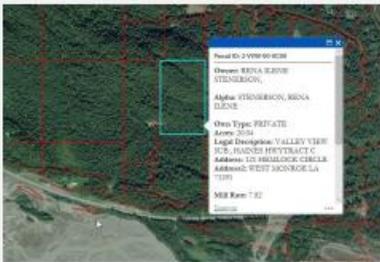
Addendum F – Market Area Region 1 Sales

The following pages constitute Addendum F which contains a list of Market Area Region 1 sales. These are the sales used in setting the market area factor for the original 2023 assessed values.

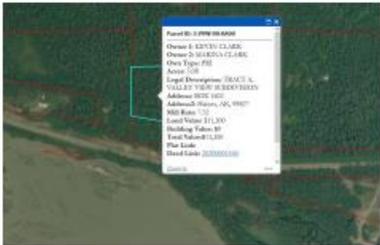
Sales



PIN	3-MLR-00-0720	DATE RECORDED	9/30/2022
Situs Address		ReconciledSalesP	100000
Market Area	1106		
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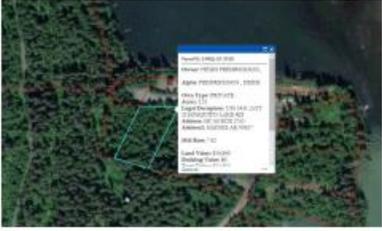


PIN	3-VVW-00-0C00	DATE RECORDED	9/22/2022
Situs Address		ReconciledSalesP	100000
Market Area	1107		
Notation		MarketStatus	4-Market
		ValidationCo	
		UseForAnaly	Yes
		ParcelCount	
ACREAGE	20.04	USE	V
ImageRef	3-VVW-00-0C00_2022922a	Parcels	



PIN	3-VVW-00-0A00	DATE RECORDED	8/18/2022
Situs Address		ReconciledSalesP	35000
Market Area	1107		
Notation		MarketStatus	4-Market
		ValidationCo	
		UseForAnaly	Yes
		ParcelCount	
ACREAGE	5.08	USE	V
ImageRef	3-VVW-00-0A00-20220818	Parcels	

Sales

	PIN	3-MQL-01-2100	DATE RECORDED	6/9/2022
	Situs Addr		ReconciledSalesP	27500
	Market Area	1106		
	Notation		MarketStatu	4-Market
			ValidationCo	
			UseForAnaly	Yes
			ParcelCount	
ACREAGE	1.51	USE	V	
ImageRef	3-MQL-01-2100-2022609a			Parcels

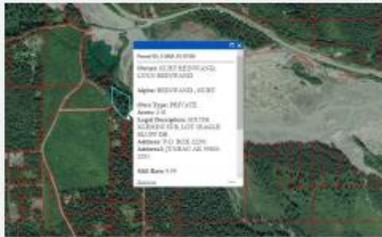
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	Situs Addr		ReconciledSalesP	145000
	Market Area	1104		
	Notation		MarketStatu	4-Market
			ValidationCo	
			UseForAnaly	Special
			ParcelCount	2
ACREAGE	6.04	USE	R	
ImageRef	3-HHY-31-0230-20220428a			Parcels

	PIN	3-HHY-31-0200	DATE RECORDED	4/27/2022
	Situs Addr		ReconciledSalesP	145000
	Market Area	1104		
	Notation		MarketStatu	4-Market
			ValidationCo	
			UseForAnaly	Special
			ParcelCount	2
ACREAGE	7.34	USE	V	
ImageRef	3-HHY-31-0200-2022427a			Parcels

Sales



PIN	3-BHE-00-0900	DATE RECORDED	4/27/2022
Situs Adre		ReconciledSalesP	20000
Market Area	1102		
Notation		MarketStatu	4-Market
		ValidationCo	
		UseForAnaly	Yes
		ParcelCount	
ACREAGE	2.4	USE	V
ImageRef	3-BHE-00-0900-2022427a	Parcels	



PIN	3-SKA-35-0100	DATE RECORDED	3/15/2022
Situs Adre		ReconciledSalesP	65000
Market Area	1105		
Notation		MarketStatu	4-Market
		ValidationCo	
		UseForAnaly	Yes
		ParcelCount	
ACREAGE	3.41	USE	V
ImageRef	3-SKA-35-0100-2022315a	Parcels	



PIN	3-HHY-31-0320	DATE RECORDED	2/8/2022
Situs Adre		ReconciledSalesP	42600
Market Area	1104		
Notation		MarketStatu	4-Market
		ValidationCo	
		UseForAnaly	Yes
		ParcelCount	
ACREAGE	2	USE	R
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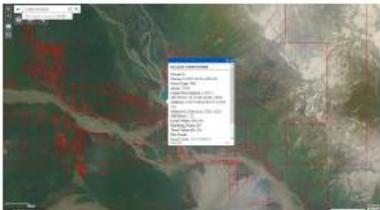
Sales



PIN DATE RECORDED
 Situs Addr ReconciledSalesP
 Market Area
 Notation MarketStatu
 ValidationCo
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 ACREAGE USE
 ImageRef Parcels



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 Situs Addr ReconciledSalesP
 Market Area
 Notation MarketStatu
 ValidationCo
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 ParcelCount
 ACREAGE USE
 ImageRef Parcels



PIN DATE RECORDED
 Situs Addr ReconciledSalesP
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 Notation MarketStatu
 ValidationCo
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 ImageRef Parcels

Sales



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 Notation MarketStatu
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 ACREAGE USE
 ImageRef Parcels



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 Notation MarketStatu
 ValidationCo
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 ACREAGE USE
 ImageRef Parcels



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 Notation MarketStatu
 ValidationCo
 UseForAnaly
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 ImageRef Parcels

Sales

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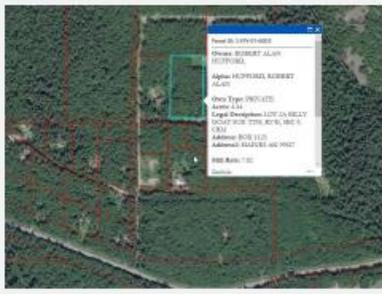
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 Market Area
 Notation MarketStatu
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 Situs Addr ReconciledSalesP
 Market Area
 Notation MarketStatu
 ValidationCo
 UseForAnaly
 ParcelCount
 ACREAGE USE
 ImageRef Parcels

Sales



PIN	3-HHY-40-0160	DATE RECORDED	1/22/2021
Situs Addr		ReconciledSalesP	90000
Market Area	1101		
Notation		MarketStatu	4-Market
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		UseForAnaly	Yes
		ParcelCount	
ACREAGE	4.38	USE	R
ImageRef	3-HHY-40-0160-2021122a	Parcels	



PIN	3-STV-01-00D2	DATE RECORDED	12/15/2020
Situs Addr		ReconciledSalesP	40000
Market Area	1201		
Notation		MarketStatu	4-Market
		ValidationCo	
		UseForAnaly	Yes
		ParcelCount	
ACREAGE	4.44	USE	V
ImageRef	3-STV-01-00D2-20201215a	Parcels	



PIN	3-MQL-01-1700	DATE RECORDED	12/14/2020
Situs Addr		ReconciledSalesP	350000
Market Area	1106		
Notation	two adjacent lots sold together, with individual values	MarketStatu	4-Market
		ValidationCo	
		UseForAnaly	Special
		ParcelCount	2
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ImageRef	3-MQL-01-1700-20201214	Parcels	

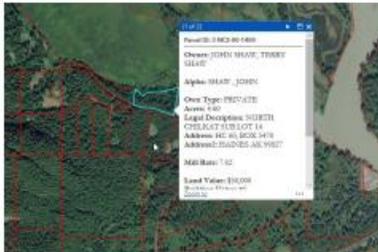
Sales



PIN	3-MQL-01-1720	DATE RECORDED	12/14/2020
Situs Addr		ReconciledSalesP	105000
Market Area	1106		
Notation	two adjacent lots sold together, with individual values	MarketStatu	4-Market
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ACREAGE	0.37	USE	R
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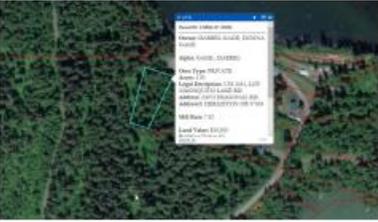


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Market Area	1104		
Notation		MarketStatu	4-Market
		ValidationCo	
		UseForAnaly	Yes
ACREAGE	1.98	USE	R
ImageRef	3-HHY-31-1000-20201109	ParcelCount	
		Parcels	



PIN	3-NCS-00-1400	DATE RECORDED	10/1/2020
Situs Addr		ReconciledSalesP	53500
Market Area	1107		
Notation		MarketStatu	4-Market
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		UseForAnaly	Yes
ACREAGE	4.6	USE	V
ImageRef	3-NCS-00-1400-20201001a	ParcelCount	
		Parcels	

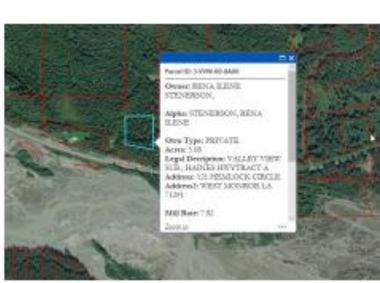
Sales

	PIN	3-MQL-01-2000	DATE RECORDED	8/31/2020
	Situs Addr		ReconciledSalesP	27500
	Market Area	1106		
	Notation		MarketStatu	4-Market
			ValidationCo	
			UseForAnaly	Yes
			ParcelCount	
ACREAGE	1.05	USE	V	
ImageRef	3-MQL-01-2000-2020831a			

	PIN	3-VVW-00-0B00	DATE RECORDED	4/24/2020
	Situs Addr		ReconciledSalesP	44500
	Market Area	1107		
	Notation	three adjacent lots bought at the same time for different prices	MarketStatu	4-Market
			ValidationCo	
			UseForAnaly	Special
			ParcelCount	3
ACREAGE	19.92	USE	V	
ImageRef	3-VVW-00-0B0-2020424a			

	PIN	3-VVW-00-0C00	DATE RECORDED	4/24/2020
	Situs Addr		ReconciledSalesP	44700
	Market Area	1107		
	Notation	three adjacent lots bought at the same time for different prices	MarketStatu	4-Market
			ValidationCo	
			UseForAnaly	Special
			ParcelCount	3
ACREAGE	20.04	USE	V	
ImageRef	3-VVW-00-0C00-2020424a			

Sales



PIN	3-VVW-00-0A00	DATE RECORDED	4/24/2020
Situs Addr		ReconciledSalesP	11300
Market Area	1107		
Notation	three adjacent lots bought at the same time for different prices	MarketStatu	4-Market
		ValidationCo	
		UseForAnaly	Special
ACREAGE	5.08	ParcelCount	3
USE	V	Parcels	
ImageRef	3-VVW-00-0A00-2020424a		



PIN	B-POR-00-1200	DATE RECORDED	4/15/2020
Situs Addr		ReconciledSalesP	39900
Market Area	1103		
Notation		MarketStatu	4-Market
		ValidationCo	
		UseForAnaly	Yes
ACREAGE	4.92	ParcelCount	
USE	V	Parcels	
ImageRef	B-POR-00-1200-2020415a		

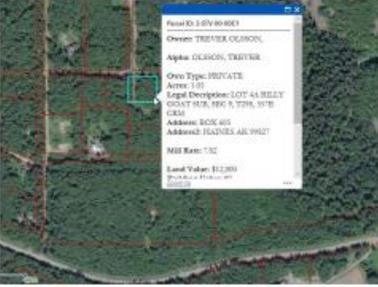


PIN	3-TWC-00-0300	DATE RECORDED	2/28/2020
Situs Addr		ReconciledSalesP	275000
Market Area	1106		
Notation		MarketStatu	4-Market
		ValidationCo	
		UseForAnaly	Yes
ACREAGE	9.68	ParcelCount	
USE	R	Parcels	
ImageRef	3-TWC-00-0300-2020228a		

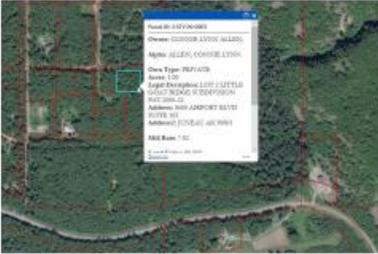
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	Market Area	<input type="text" value="1201"/>			
	Notation	<input type="text"/>	MarketStatu	<input type="text" value="4-Market"/>	
			ValidationCo	<input type="text"/>	
			UseForAnaly	<input type="text" value="Yes"/>	
			ParcelCount	<input type="text"/>	
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	PIN	<input type="text" value="3-KRB-00-0A00"/>	DATE RECORDED	<input type="text" value="10/15/2019"/>	
	Situs Adre	<input type="text"/>	ReconciledSalesP	<input type="text" value="110000"/>	
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			ValidationCo	<input type="text"/>	
			UseForAnaly	<input type="text" value="Yes"/>	
			ParcelCount	<input type="text"/>	
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	Situs Adre	<input type="text"/>	ReconciledSalesP	<input type="text" value="27000"/>	
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	Notation	<input type="text"/>	MarketStatu	<input type="text" value="4-Market"/>	
			ValidationCo	<input type="text"/>	
			UseForAnaly	<input type="text" value="Yes"/>	
			ParcelCount	<input type="text"/>	
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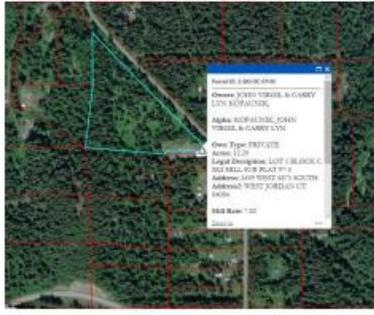
Sales

	PIN	3-STV-00-00E2	DATE RECORDED	10/4/2018
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	Notation		MarketStatu	4-Market
			ValidationCo	
			UseForAnaly	Yes
			ParcelCount	
ACREAGE	1	USE	V	
ImageRef	3-STV-00-00E2-20181004a		Parcels	

	PIN	B-POR-00-0100	DATE RECORDED	8/15/2018
	Situs Adre		ReconciledSalesP	105000
	Market Area	1103		
	Notation		MarketStatu	4-Market
			ValidationCo	
			UseForAnaly	Yes
			ParcelCount	
ACREAGE	20.16	USE	R	
ImageRef	B-POR-00-0100-20180815a		Parcels	

	PIN	3-STV-01-00D2	DATE RECORDED	7/11/2018
	Situs Adre		ReconciledSalesP	50000
	Market Area	1201		
	Notation	SOLD LATER TO TREVOR SUTCLIFFE	MarketStatu	4-Market
			ValidationCo	
			UseForAnaly	Yes
			ParcelCount	
ACREAGE	4.44	USE	V	
ImageRef	3-STV-01-00D2-20180711a		Parcels	

Sales



PIN	3-SKI-0C-0100	DATE RECORDED	7/9/2018
Situs Address		ReconciledSalesP	75000
Market Area	1106		
Notation		MarketStatus	4-Market
		ValidationCo	
		UseForAnaly	Yes
ACREAGE	12.29	USE	V
ImageRef	3-SKI-0C-0100-20180709a	ParcelCount	
		Parcels	

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Addendum G – Original Assessor’s Report

The following pages constitute Addendum G which contains the original Assessor Office Appeal Report.



APPEAL #2023-90

2023 REAL PROPERTY APPEAL PACKET

BOARD OF EQUALIZATION: May 24, 2023

ASSESSOR OFFICE

Appellant: Scott & Jennifer Canfield

Location: 1263 River View Dr. Lots 4 & 5 Mosquito Lake

Parcel No.: 3-MQL-02-0400

Property Type: Residential

Appellant's basis for appeal: Property value is excessive. Appellant submitted their own comparables (2) and a breakdown of cost of inflation applied to their purchase price. They stated that their property had a 74% increase which is higher than the 16% increase in the manager's proposed FY24 budget

	Appellant's Estimate of Value	Original Assessed Value	Recommended Value
Site:	60,000	64,800	64,800
Buildings:	522,000	799,200	753,900
Total:	582,000	864,000	818,700

Subject Photo



(Below is an image of the Table of Contents from the original Assessor’s Report. See page 2 of this document to see an updated Table of Contents for this document.)

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OVERVIEW

The subject is a residential property located in the Mosquito Lake Subdivision on River View Dr. It has two 2-story residential structures and a 960 Square foot shop with a 960 foot storage area on 2nd floor. The original home (2160 SF) was built in 1978, the second home (1728 SF) was built in 2016, and the shop/storage building was built in 2014. The second home has a building permit in place for a 432 SF addition which will be valued in 2024.

Subject Characteristics:

- Land
 - 4.31 acres valued at 15,035 per acre

- Buildings
 - 2 are residential and one is shop with storage
 - Main house is a 2 story home with 2,160 square feet of living space, a 288 SF deck and a 288 SF Covered porch, a wood stove and Toyo for heat, and a 540 SF carport.
 - 2nd home is a 2 story home with 1,728 square feet of living space and an attached garage of 864 Sf, a 240 SF Covered porch, a wood stove and Toyo for heat.
 - The 3rd building is a 960 SF Shop with 960 SF storage on 2nd floor and a 480 SF Carport.

SUBJECT PHOTOS

Photo	Desc
	Main House. Photo taken 1/27/2021



2nd home (1,728 SF). Photo 1/27/2021



960 SF shop with storage above and carports/storage. Photo 1/12/2023

Carport Storage / Equipment
Cover. Photo 1/12/2023



AREA MAP & AERIAL



ASSESSED VALUES

Remember that the total assessed value is the primary test against market. The distribution of that value between the Land Component and the Building Component is secondary and can vary from one model to another. The total assessed value is tested against market indicators (sales, lease rates, etc.) and is adjusted to market value by application of market area and feature adjustments.

All three approaches to value (Cost, Sales Comparison and Income) are considered for property valuations.

LAND

Land values are generally based on a per acre model that is then adjusted for property characteristics such as topography, view, privacy, access, wetlands and others. The values are also adjusted for location. The model is adjusted to market through analysis of market sales.

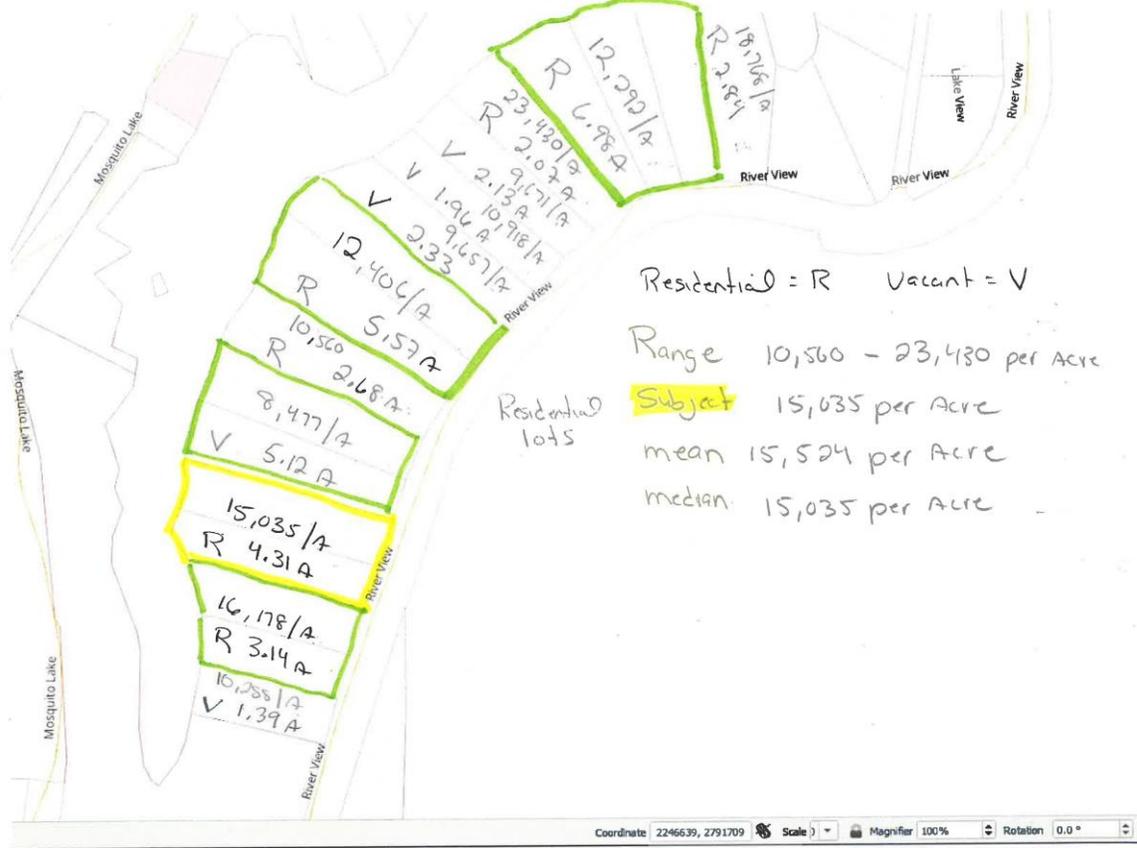
The subject land is valued in equity with neighborhood lots of similar size and use. There are 4 residential lots of similar acres (double lots) and 3 which are about half the size (acres). The mean price per acre of residential lots in the Mosquito Lake area (River View Road) is \$15,524 and the median is \$ \$15,035. The subject lot is valued at \$15,035 per acre and is 4.31 acres for a total assessed value of \$64,800.

The subject parcel's land value is equitable and is not excessive.

Land Characteristics:

- 4.31 acres

Land Values Map



Coordinate 2246639, 2791709 Scale 0 Magnifier 100% Rotation 0.0°

BUILDING(S)

The building component may be based on market adjusted cost tables, residual from sales after extraction of the land value or other appropriate means.

Ratio studies are performed using market sales to determine market adjustments.

Building Characteristics:

- Two buildings are Residential and one is a shop with storage. All three are 2-story buildings.
 - Main house Main house is a 2 story home with 2,160 square feet of living space, a 288 SF deck and a 288 SF Covered porch. A wood stove and Toyo for heat. And a 540 SF carport.
 - 2nd home is a 2 story home with 1,728 square feet of living space and an attached garage of 864 Sf. A 240 SF Covered porch. A wood stove and Toyo for heat.
 - The 3rd building is a 960 SF Shop with 960 SF storage on 2nd floor and a 480 SF Carport.

The appellant has stated that the house values are excessive and had 2 large increases over the last 2 years.

The appellant built a second home on their property in 2016. The Borough did not pick up the value of the second house until 2022. So from 2016- 2022 (5 years), the appellant did not pay property tax on the second house. The second home was added to the tax roll in 2022 and the appellant's total assessed value was raised from 188,400 to 495,400.

In 2023 because of a construction declaration that the appellant turned into the borough, a site visit was conducted to reassess new construction and to update the % complete for the second home. On 12/23/2022 after the site visit and updated sketch was completed, new Marshall and swift Residential Estimators was done to determine value of each buildings. The 960 SF shop and the large equipment cover were also not previously valued and were picked on the site visit. So for 2023, three buildings were valued plus the equipment cover and the results were \$ \$799,200.

The appellants came into the borough to discuss their assessed value and a review was done of the three new Marshall & Swifts standard reports. The appellants disputed some of the building items as well as the designations especially the shop which at the time we had valued the 2nd floor of the shop as living space.

On May 10, 2023, the cost approaches were updated with the information provided to the borough by the appellant and a new value was generated. An email with the new values for buildings was sent to the appellant and was rejected.

The appellant provided two comparables that they found on Haines Real Estate which had "pending" sales and an asking price. As we address the comparables keep in mind that this is current information as of May while our valuation date is January 1, 2023. We have done no market analysis past January 1, 2023 and would need to do so to know the adjustment that would need to be applied to take the sale back in time.

We reviewed the submitted comparables. Actual sales price for these properties is not known, only the list price.

Comparable #1 is an in-town property while the subject is "out the road." This comparable's asking price is \$340,000 for land & one residential building. Review of this asking price would appear to support our land and building valuations. Our assessed value for this property is \$276,800 which is below asking price.

Comparable 2 is an out the road property with an asking price of \$338,000. Our assessed value for this property is \$292,800 which is also below the asking price.

These would indicate that our assessed values are probably still below market as of May of 2023.

We find that the comparables submitted by the appellant support our assessed value. The appellant's main house is of equal size as the comparables and has a cost approach value of 299,400, adding in the appellant's land value, the total would be 364,200. Right in line with both comparables. Keep in mind that the appellant's lot size is 4.31 acres and the comparables are .55 for comparable 1 and 2.66 acres for comparable 2.

One item to note: Both of the comparables provided by the appellant are on our market sales list because both properties have sold in the last 5 years, both have submitted sales information, and both are up for sale again. This kind of "paired" sales shows increase or decrease in the market over time.

Comparable 1: sold in 2019 for \$163,899 and is up for sale with an asking price of \$340,000. This is an increase of 107% over 4 years.

Comparable 2: Sold in 2018 for \$255,000 and is up for sale for \$338,000. An increase of 32% in 5 years.

A detailed analysis needs to be done to properly determine a trend, however an initial look suggests that the market is increasing and an increase to the appellant's property is correct and equitable.

The appellant has two homes on their property as well as a shop with storage and a significant equipment cover. The 2nd home and shop are of newer construction and do not have the wear and tear of the "Comps" provided. The effective age of a building determines a lot of the depreciation that is subtracted from cost new to arrive at the assessed value. Both "comps" have effective ages of 15 years and the appellants home & shop at 10 years and 2nd home at 8 years.

Sketch of Improvements:

SKETCH/AREA TABLE ADDENDUM

SUBJECT INFO					
File No.:	Parcel No.: 3-MQL-02-0400				
Property Address: MOSQUITO LAKE SUB, LOTS 4 & 5, RIVER VIEW DR					
City: Haines	County: USA	State: AK	ZipCode: 99827		
Owner: SCOTT CANFIELD					
Client:					
Client Address:					
Appraiser Name: SH	Inspection Date: 12/23/2022				
SKETCH					
<p>Lot 4</p>			<p>Lot 5</p>		
AREA CALCULATIONS SUMMARY					COMMENT TABLE 1
Code	Description	Factor	Net Size	Perimeter	Net Totals
GLA1	B1- First Floor	1.0	864.0	120.0	3264.0
	C1 UPSTAIRS	1.0	960.0	128.0	
	GLA				
GLA2	A1-First Floor	1.0	1440.0	152.0	2448.0
	C1- UPSTAIRS	1.0	864.0	120.0	
	Second Floor	1.0	864.0	120.0	
GAR	A1- Second Floor	1.0	720.0	116.0	816.0
	Wood Shed	1.0	480.0	104.0	
	SHOP	1.0	960.0	128.0	
OTH	Carpport	1.0	480.0	104.0	1920.0
	Storage	1.0	400.0	100.0	
P/P	Porch	1.0	240.0	68.0	400.0
	Porch	1.0	288.0	88.0	
	Wood Deck	1.0	288.0	88.0	
					<p>The shop is on the line between lots 4 and 5. SHOP 2ND FLOOR IS GLA FOR THIRD FAMILY</p> <p>Access: Dirt Road Topo: Flat View: Territorial H2O: Well Sewer: Septic Power: Public</p>
			<p>COMMENT TABLE 2</p> <p>Lot 4 - second house Siding: T-111 Fnd: Treated Wood Heat: Propane/Wood Roof: Metal Quality: avg Condition: avg Date Built: 2013 Effective Age: 2</p>	<p>COMMENT TABLE 3</p> <p>Lot 5 - main house Siding: T-111 Fnd: Cc Perm Heat: Oil/Wood Roof: Metal Quality: Good Condition: Good Date Built: 2002 Effective Age: 5</p>	

COST REPORT

The cost reports below were utilized in the review process in response to the filing of the Appeal by the appellant. The cost reports indicate that the building component is not overvalued.

Standard Report

Estimate ID:	3-MQL-02-0400 MAIN HOUSE A1
Property Owner:	SCOTT & JENNIFER CANFIELD
Surveyed By:	Scott Hansen
Survey Date:	12/23/2022
Total Floor Area	2,160
Quality	3 Average
Condition	3 Average
Local Multiplier	1.36
Report Date	Sep,2022
Rounded Total Cost	\$299,400

Single-family Residence	Floor Area:	2,160 Square Feet
Effective Age: 10	Quality:	3 Average
Cost as of: September, 2022	Condition:	3 Average
Style: 1 1/2 Story Finished		
Exterior Wall: Frame, Siding, Wood 100%		
Plumbing Fixtures: 8		

	Units	Cost	Total
Base Cost	2,160	107.80	232,848
Plumbing Fixtures	8	2,790.00	22,320
Metal, Preformed	2,160	6.79	14,666
Raised Subfloor	2,160	17.52	37,843
Floor Cover Allowance	2,160	8.08	17,453
Wall Heaters	2,160	2.88	6,221
Plumbing Rough-ins	1	1,131.50	1,132
Appliance Allowance	1	5,812.50	5,813
<u>Basic Structure Total Cost</u>	<u>2,160</u>	<u>156.62</u>	<u>338,296</u>
Carport, Shed Roof	288	26.71	7,692
Carport, Shed Roof	540	23.95	12,933
Deduct for Asphalt Floor	288	-5.25	(1,512)
<u>Subtotal Garage</u>			<u>19,113</u>
Wood Deck	288	26.40	7,603
WOOD STOVE		1,000.00	1,000
<u>Subtotal Extras</u>			<u>8,603</u>
<u>Replacement Cost New</u>	<u>2,160</u>	<u>169.45</u>	<u>366,012</u>
Physical + Functional Depreciation 18.2%			66,614
<u>Total Depreciated Cost</u>			<u>299,398</u>
<u>Total</u>			<u>\$299,398</u>
<u>Total, Rounded to Nearest \$100</u>			<u>\$299,400</u>

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Remarks

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 Estimate: 2237
 Date Printed: 5/10/2023
 Page 1 of 1

Standard Report

Estimate ID: 3-MQL-02-0400 ABOVE SHOP C1
 Property Owner: SCOTT & JENNIFER CANFIELD
 Surveyed By: Scott Hansen
 Survey Date: 12/23/2022
 Total Floor Area: 960
 Quality: 3 Average
 Condition: 3 Average
 Local Multiplier: 1.36
 Report Date: Sep,2022
 Rounded Total Cost: \$137,900

Single-family Residence
 Effective Age: 10
 Cost as of: September, 2022
 Style: One Story
 Exterior Wall: Frame, Siding, Wood 100%
 Plumbing Fixtures:
 Floor Area: 960 Square Feet
 Quality: 3 Average
 Condition: 3 Average

	Units	Cost	Total
Base Cost	960	133.18	127,853
Metal, Preformed	960	7.87	7,555
Raised Subfloor	960	15.89	15,254
Floor Cover Allowance	960	5.66	5,434
Basic Structure Total Cost	960	162.60	156,096
Carport, Shed Roof	480	24.03	11,534
Subtotal Garage			11,534
WOOD STOVE		1,000.00	1,000
Subtotal Extras			1,000
Replacement Cost New	960	175.66	168,630
Physical + Functional Depreciation 18.2%			30,690
Total Depreciated Cost			137,940
Total			\$137,940
Total, Rounded to Nearest \$100			\$137,900

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Remarks

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 Estimate: 3075
 Date Printed: 5/10/2023
 Page 1 of 1

Standard Report

Estimate ID: 3-MQL-02-0400 SECOND HOUSE B1
 Property Owner: SCOTT & JENNIFER CANFIELD
 Surveyed By: Scott Hansen
 Survey Date: 12/23/2022
 Total Floor Area: 1,728
 Quality: 3 Average
 Condition: 3 Average
 Local Multiplier: 1.36
 Report Date: Sep,2022
 Rounded Total Cost: \$316,600

Single-family Residence
 Effective Age: 8
 Cost as of: September, 2022
 Style: Two Story
 Exterior Wall: Frame, Siding, Wood 100%
 Plumbing Fixtures: 8
 Floor Area: 1,728 Square Feet
 Quality: 3 Average
 Condition: 3 Average

	Units	Cost	Total
Base Cost	1,728	124.80	215,654
Plumbing Fixtures	8	2,790.00	22,320
Metal, Preformed	1,728	3.97	6,860
Raised Subfloor	1,728	17.52	30,275
Floor Cover Allowance	1,728	8.08	13,962
Floor Radiant, Hot Water	1,728	11.63	20,097
Plumbing Rough-ins	1	1,131.50	1,132
Appliance Allowance	1	5,812.50	5,813
Basic Structure Total Cost	1,728	182.94	316,113
Attached Garage	864	46.14	39,865
Subtotal Garage			39,865
Wood Deck with Roof	240	55.72	13,373
WOOD STOVE		1,000.00	1,000
Subtotal Extras			14,373
Replacement Cost New	1,728	214.32	370,351
Physical + Functional Depreciation 14.5%			53,701
Total Depreciated Cost			316,650
Total			\$316,650
Total, Rounded to Nearest \$100			\$316,600

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Remarks

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 Estimate: 3074
 Date Printed: 1/12/2023
 Page 1 of 1

INCOME APPROACH

The income approach was not the basis for setting the assessed value for 2023. The appellant did not submit P&L information for the Review process. The income approach is typically not used for residential property.

MARKET & ASSESSMENT ANALYSIS

We had about 213 market sales from the last 5 years to utilize in our analysis. (The exact count varies depending on the particular study and point in time.) The sales were from the period of January 1, 2018 through December 31, 2022. The sales volume appears to have remained steady through 2022 and there was no indication of declining prices as of the valuation date of January 1, 2023.

Assessment Year 2023 Summary

	Mean	Median	COD	COV	PRD
Starting Point (2022 Values)	0.9072	0.9517	19.4443	25.2092	1.0062
After Equalization & Market Area Trend	0.9646	0.9765	18.5733	24.6063	0.9931

SUBJECT ASSESSMENT HISTORY

Property: 3-MQL-02-0400 (3-MQL-02-0400)

Property Owners Land Records Property Value History Property Sales Transactions Period Summary Payoff Documents Property History

Period	Date	Land Record	Description	Taxing Entity	Owner	Land Market...	Greenbelt Val...	Building Mark...	Exe...	Taxable Value
12/31/2022	06/21/2022	R - Residential	2022 real property values	Borough Wide	CANFIELD , SCOTT	52,400.00	.00	443,000.00	.00	495,400.00
12/31/2021	06/15/2021	R - Residential	2021 real property values	Borough Wide	CANFIELD , SCOTT	52,400.00	.00	136,000.00	.00	188,400.00
12/31/2020	06/22/2020	R - Residential	2020 real property values	Borough Wide	CANFIELD , SCOTT	52,400.00	.00	136,000.00	.00	188,400.00
12/31/2019	06/20/2019	R - Residential	2019 real property values	Borough Wide	CANFIELD , SCOTT	52,400.00	.00	136,000.00	.00	188,400.00
12/31/2018	06/15/2018	R - Residential	2018 real property values	Borough Wide	CANFIELD , SCOTT	50,200.00	.00	136,000.00	.00	186,200.00
12/31/2017	06/29/2017	R - Residential	2017 real property values	Borough Wide	CANFIELD , SCOTT	50,200.00	.00	136,000.00	.00	186,200.00
12/31/2016	07/12/2016	R - Residential	2016 real property values		CANFIELD , SCOTT	50,200.00	.00	136,000.00	.00	186,200.00
12/31/2015	07/11/2015	R - Residential	2015 real property values		CANFIELD , SCOTT	50,200.00	.00	136,000.00	.00	186,200.00
12/31/2014	07/30/2014	R - Residential	2014 real property values		CANFIELD , SCOTT	50,200.00	.00	136,000.00	.00	186,200.00

(See additional general history illustration maps in Addendum B.)

SUMMARY

State statute requires the Assessor to value property at “full and true value”. According to appraisal standards and practices set by the Alaska Association of Assessing Officers, the State of Alaska Office of the State Assessor, and the International Association of Assessing Officers, correct procedures of assessment were followed for the subject. These standards and practices include consideration of any market value increase or decrease as determined by analysis of sales.

The assessed value was reviewed in response to the Appeal filing. Our findings are as follows.

The land and buildings are valued using the same methods and standards as all other properties in the Borough.

Additional Details:

- The appellant states that their property is being valued excessively and submitted two comparables and a review of national inflation rates applied to their purchase price as proof.
 - We find that their land is being valued in equity with all other residential lots in their neighborhood and that their price per acre is right in the middle of the range of values. Mean value \$15,524 per acre and median value is \$15,034 per acre. The appellants 4.31 acre lots is at \$15,035 per acre.
 - We find that the comparables submitted by the appellant support our assessed value. The appellant’s main house is of equal size as the comparables and has a cost approach value of 299,400, adding in the appellant’s land value, the total would be 364,200. Right in line with both of the comparables. Keep in mind that the appellant’s lot size is 4.31 acres and the comparables are .55 for comparable 1 and 2.66 acres for comparable 2.
 - We find that market value is determined by what a willing buyer will pay for the property and what a willing seller wants for the property along with adequate exposure time on the market. While inflation plays a role, it is only a part of the picture and cannot be used to determine property values. Our assessed values are based on actual market sales within the Haines Borough.

CONCLUSION

The 2023 Assessed values were arrived at through a two-step process. The first step was an equalization step based on the last year that the subjects land and building portions had last been updated. The second step was to compare the equalized values to market sales and to apply a market factor based on Market Area Regions. This trending process retained the adjustments to individual properties for features such as topography, wetlands, etc.

Ratio studies indicate that after our adjustments to values the level of assessment for the Haines Borough is about 97% of market.

For the subject property:

- The Land Change Group is 2019
- The Building Change Group is 2023
- The percentage change from 2022 to 2023 was an increase of 94%. (due to new construction)

We find that a reduction of the original 2023 assessed value is warranted and ask that the BOE set the assessed value at \$818,700.

ADDENDUM A – General Information

See Separate PDF

ADDENDUM B - Analysis

See Separate PDF

ADDENDUM C – Communications

Emails and Other Communications

2023 Assessed valuation workup

Parcel ID	3-MQL-02-0400			436
	Land	Bldg	Total	
2022 AV	52,400	443,000	495,400	
Group	2019	2023		
Equalization Factor	0.1038	0.1125		
Prelim 3 Trended	57,839	492,838	550,676	11.16%
Parcel Specific Adjustment	-			
Alternate- Adj Totals	-	799,200		
Adj Prelim 3 Trended	57,839	799,200	857,039	
Mkt Area Adj	1.1200	1.1200		
2023 AV	64,779.41	895,104.00	959,883	93.76%
Rounded	64,800	895,100	959,900	93.76%

Email

From: Canfield Scott <scottys48881@yahoo.com>
Sent: Wednesday, May 10, 2023 4:40 PM
To: Donna Lambert <dlambert@haines.ak.us>
Subject: Re: 2-MQL-02-0400

I would like to be scheduled for a BOE review please. I still think this is still an extremely high increase for 1 year. Thanks for the effort Donna

On Wednesday, May 10, 2023 at 04:43:20 PM PDT, Donna Lambert <dlambert@haines.ak.us> wrote:

Hi,

We have reviewed your file.

For our initial look, we have removed/updated the changes that we talked about when you came in and the results are:

Main House: 2,160 SF house

Old value: \$325,600

New Value: \$ 299,400

Shop:

Old value: \$157,000

New value: \$137,900

2nd House: 1,728 SF

No change to value, there was nothing that you noted was wrong in the Marshall & Swift

Value: 316,600

Total value for buildings: \$ 753,900 (old value \$799,200)

In 2021, your total assessed value was 188,400 which only valued 1 house on your property. The big jump in 2022 was for the addition of your second house. So from 2016 (when you built 2nd house) until 2022 you were not assessed for the second residence. The new CAMA system allows us to better track permits and construction declarations.

The 190,000 (appraised value) that you used in your calculation is for a property with only one structure.

I was able to locate one of your comps. That home is much older than your home built in 1984 and has a % complete of unfinished construction at 61% . Your new home built in 2016 and has not been revalued for the new addition per permit from 2022. Not sure where the other comp is.

You did not submit any documentations for review on your land value. **I have attached the new Marshall & Swift reports for your review, please check for errors.**

Old 2023 assessed value	New 2023 value based on building review only
Land: 64,800	Land: 64,800
Bldg: 799,200	Bldg: 753,900
Total: 864,000	Total: 818,700

Let me know if you accept or reject these changes. Your reply to this email with accept or reject will work. If you accept, we will send you an updated assessment letter. If you reject, please submit reason/concerns/documentation for our review or you can ask to go be scheduled for the BOE.

Thanks

Donna Lambert

Haines Borough Land's Dept.